

AS Tallinna Vesi Whistleblowing Policy

1. Introduction
2. Our position
3. Our principles
4. How to report a suspicion – employee's responsibility
5. What happens next – Company's responsibility
6. Who is covered by this Policy?
7. Monitoring and reviewing of the Policy

1. Introduction

This Whistleblowing Policy (hereinafter also referred to as the **Policy**) and the Code of Conduct of Tallinna Vesi set the ethical standards that apply in AS Tallinna Vesi and its subsidiary OÜ Watercom (in this document together referred to as **Tallinna Vesi** or the **Company**). This Policy and the Code of Conduct shall be interpreted as a single document and together with applicable laws and regulations. The Code of Conduct of AS Tallinna Vesi can be found [here](#).

At AS Tallinna Vesi, we are proud of our strong commitment to having high ethical standards in the way that we work. We have outlined those principles in the Code of Conduct, which summarises our approach of doing business. All employees of AS Tallinna Vesi must read and be familiar with those principles. We also expect our partners to act according to high ethical standards and in accordance with the law.

Adhering to the principles of integrity, fairness and legality in business activities requires employees as individuals to take certain actions in situations where they see or believe that misconduct is occurring in connection with their work. We consider it important for any of our employees or contractors who suspect misconduct to be able to entrust the information in their possession to a person who will further process it. For the purposes of this Policy, 'whistleblowing' shall mean the reporting by the Company's employees, shareholders, customers and business partners of suspected misconduct, illegal activity, failure to act, any violation or misdemeanour (hereinafter jointly referred to as **misconduct**) by the employees or the Management Board (hereinafter the **employees**) of AS Tallinna Vesi. In doing so, the whistleblower has no reason to fear victimization, discrimination, being put in a disadvantageous situation or being fired. We apply the principles set out in the EU Whistleblower Directive and in the Estonian law.

2. Our position

Our goal is to be the best water and wastewater company in Estonia and in the Baltics and a leading service provider. This also comprises ethical economic activities, and the Company will not compromise on its ethical beliefs or ethical economic activities in order to achieve its business goals.

Even within the top-level organisations, individuals are sometimes tempted to cross the line between acceptable and unacceptable conduct. If AS Tallinna Vesi is to maintain and further enhance its reputation for having high standards of professional conduct, it is essential that our people are aware of the consequences and the effect that their actions and actions of other individuals may have on the Company, and report any suspicions of misconduct should they arise.

This Policy outlines the way we encourage our employees to report such suspicions.

3. Our principles

Misconduct of which the employee is aware or suspects that may have occurred in the past or is currently occurring and to which this Policy applies shall mean, inter alia:

Whistleblowing Policy

- financial or accounting fraud, corruption, bribery or any other inappropriate activity or conduct relating to financial matters;
- major inadequacies or weaknesses in the Company's system of internal controls, relating to auditing or accounting matters, which could have an important or significant effect on the Company's financial statements;
- a conflict of interest or unethical conduct or failure to exercise professional skills or diligence, such as buying something from a relative's company or doing business with a company or business in which one has shares; or falsification of data to achieve business goals;
- a misuse of inside information when trading with shares of AS Tallinna Vesi or any other company;
- a misuse of confidential or sensitive business information;
- a failure to provide information within the Company or to the regulators of the Company or other relevant authorities, or destruction of such documents;
- any criminal offence or a failure to comply with the legal obligations of the Company;
- a breach of the conditions of permits or licences issued to the Company;
- the occupational health and safety of anyone being put in danger or harmed;
- a failure to notify of a situation where it has become clear that our activities have damaged or may have damaged the environment, either causing a pollution or in another way;
- a failure to comply with any of the Company policies, procedures or internal procedures, or with the Code of Conduct of the Company;
- deliberately hiding information which relates to any of the above;
- any other serious suspicions.

The following situations do not fall within the scope of the Policy:

- a breach of laws and regulations governing employment relations or any other laws and regulations governing the performance of work in the case of a bilateral dispute;
- criminal proceedings, if it is in conflict with the Code of Criminal Procedure.

4. How to report a suspicion – employee's responsibility

The employees must report their suspicions, and the sooner they do so, the better. Every matter reported is investigated and treated seriously and with discretion.

At first, the employees should talk about their suspicions with their line manager or any member of the Human Resources staff.

Tallinna Vesi

Whistleblowing Policy

Should the employees not feel it is appropriate to speak to their line manager or any member of the Human Resources staff, they can speak with the Head of Legal Services, the Head of Human Resources, any Member of the Management Board, or fill in the online report form on AS Tallinna Vesi's webpage, the information from which is transmitted without recording the data about the person who filled in the form, unless the whistleblower has provided their contact details in the form. Alternatively, the whistleblowers can also send an e-mail to the Internal Auditor or the Chairman of the Audit Committee of the Company.

We recognise the sensitivity of this matter, and therefore we ensure complete confidentiality of all those reporting their suspicions and do not disclose their personal data, even if the identity of the whistleblower is known. If any proceedings follow the investigation of the situation, the whistleblowers may be asked to assist by acting as witnesses in order to take further actions. If the whistleblowers agree to act as witnesses, they are offered advice and support.

A confirmation of receipt of the information shall be sent to the whistleblowers within 7 days following the report, unless the whistleblowers have preferred to remain anonymous.

The communication channels indicated in this Policy do not preclude the whistleblowers from using also external channels, incl. notification to the police or relevant authorities, depending on a suspected misconduct, but disclosure of suspicions in the media before using the internal communication channels of the Company is not legally permitted.

The information received will be investigated. The investigation will be carried out by a person designated by the Management Board or by an Internal Auditor and, if any member of the Management Board is suspected of misconduct, by a person designated by the Audit Committee. In order for the investigation to be as successful as possible, it is important that the information provided is as precise as possible – where and when did the incident take place, a description of the incident, who was involved in it (names, positions), how did the whistleblower become aware of the incident, whether there are any evidence and/or witnesses about the incident.

We will do our utmost to protect employees, who have reported misconduct by following the procedure provided for, from any possible reprisals. In the event that the whistleblowers are themselves involved in the misconduct the Company cannot promise not to act against them, however, the fact that they reported the incident will definitely be taken into account.

The Company recognises that the decision to report misconduct can be a difficult one to make. If the whistleblowers have considered the information and believe that their suspicions are true, they have nothing to fear because by reporting they fulfil their duty towards the employer, colleagues and the customers of the Company.

The Company will not tolerate any harassment or victimization of whistleblowers (including informal pressures) and will take action to protect the whistleblowers when they have reported their suspicions in good faith. The Company will treat the aforementioned attempts as a serious breach of employment contract which will be dealt with in accordance with appropriate rules and procedures.

Also, allegations made for trivial reasons, maliciously and/or for personal gain are not tolerated. In such cases, the Company will take appropriate action.

Whistleblowing Policy

5. What happens next – Company's responsibility

Once a suspicion is reported via the above channels, the grounds for the suspicion will be documented, a decision made on what further actions are required and the relevant managers in the Company informed – e.g. Head of Human Resources, Head of Legal Services, the Management Board and Internal Auditor, or Chairman of the Audit Committee (if any member of the Management Board is suspected).

All whistleblowers who have not requested anonymity will be informed of the outcome of the investigation as soon as possible, but no later than 3 months after receipt of the report.

6. Who is covered by this Policy?

The Policy applies to all employees of the Company, whether with a permanent or temporary employment contract, and contractors working under contract under a law of obligations.

7. Monitoring and reviewing of the Policy

The Audit Committee reviews the Policy annually and evaluates its effectiveness in the Company.